

SCHEME OF AMALGAMATION

OF

**KINGMAKER DEVELOPERS PRIVATE LIMITED
("TRANSFEROR COMPANY")**

WITH

**REAL GEM BUILDTECH PRIVATE LIMITED
("TRANSFeree COMPANY")**

AND

THEIR RESPECTIVE SHAREHOLDERS

**UNDER SECTIONS 230 TO 232 READ WITH SECTION 66 AND OTHER APPLICABLE
PROVISIONS COMPANIES ACT, 2013**

(A) PREAMBLE

This scheme of amalgamation provides for the amalgamation of the Transferor Company (*as defined hereinafter*) with the Transferee Company (*as defined hereinafter*) and their respective shareholders pursuant to Sections 230 to 232 read with Section 66 and other applicable provisions of the Act (*as defined hereinafter*) read with Section 2(1B) and other applicable provisions of the Income Tax Act (*as defined hereinafter*) and various other matters consequential thereto or otherwise integrally connected therewith in the manner set out in this Scheme.

(B) DESCRIPTION OF COMPANIES

1. **Kingmaker Developers Private Limited (“Transferor Company”)** is a private company incorporated under the provisions of Companies Act, 1956. The Transferor Company is engaged in the business of real estate constructions, development and other related activities in India.
2. **Real Gem Buildtech Private Limited (“Transferee Company”)** is a private company incorporated under the provisions of Companies Act, 1956. The Transferee Company is engaged in the business of real estate and construction. The Transferee Company is a wholly owned subsidiary of the Transferor Company.

(C) RATIONALE

1. The Transferor Company and the Transferee Company form part of the same group. By consolidating the assets and liabilities of the Transferor Company, the Transferee Company can expand its current service territory and strengthen its existing market share.
2. The Scheme will result in the following benefits:
 - (a) Combination of resources, creating better synergies and deriving operating efficiencies;
 - (b) More efficient utilization of capital for enhanced development and growth of the consolidated business under a single entity; and
 - (c) Elimination of multiple entities, legal and regulatory compliances and reduction of administrative costs.
3. The Scheme is in the best interests of the shareholders, employees and the creditors of each of the Parties.

(D) PARTS OF THE SCHEME

The Scheme is divided into the following parts:

1. **PART - I** deals with the definitions of the capitalized terms used in this Scheme, the details of the share capital of the Parties (*as defined hereinafter*) and the date of taking effect and implementation of this Scheme;
2. **PART - II** deals with the amalgamation of the Transferor Company with the Transferee Company and other related matters; and
3. **PART - III** deals with the general terms and conditions applicable to this Scheme.

PART – I

DEFINITIONS, INTERPRETATION, SHARE CAPITAL AND OPERATION OF SCHEME

1. DEFINITIONS

1.1 In this Scheme, (a) capitalised terms defined by inclusion in quotations and/ or parenthesis shall have the meanings so ascribed; and (b) the following expressions shall have the meanings ascribed hereunder:

“Act” means the Companies Act, 2013;

“Applicable Law” or **“Law”** means any applicable national, foreign, provincial, local or other law including applicable provisions of all: (a) constitutions, decrees, treaties, statutes, laws (including the common law), codes, notifications, rules, regulations, policies, guidelines, circulars, directions, directives, ordinances or orders of any Appropriate Authority, statutory authority, court, Tribunal; (b) Permits; and (c) orders, decisions, injunctions, judgments, awards and decrees of or agreements with any Appropriate Authority having jurisdiction over the Parties as may be in force from time to time;

“Appointed Date” means 1 April 2024, or such other date as may be mutually agreed by respective Board of the Parties or as may be directed by the Appropriate Authority;

“Appropriate Authority” means:

- (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, tribunals, central bank, commission or other authority thereof; and
- (b) any governmental, quasi-governmental or private body, self-regulatory organisation, or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, Tax, importing, exporting or other governmental or quasi-governmental authority including without limitation, the Tribunal.

“Board” in relation to the Parties, means the board of directors of such Party and shall include a committee of directors or any person authorized by such board of directors, or such committee of directors duly constituted and authorized for the matters pertaining to this Scheme or any other matter relating hereto;

“Effective Date” means the date on which the last of the conditions specified in Clause 20 (Conditions Precedent) are complied with. Reference in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“effect of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date;

Reference in this Scheme to the date of **“coming into effect of this Scheme”** or **“effectiveness of this Scheme”** or **“effect of this Scheme”** or **“upon the Scheme becoming effective”** shall mean the Effective Date;

“Encumbrance” means: (a) any charge, lien (statutory or other), or mortgage, any easement, encroachment, right of way, right of first refusal or other encumbrance or security interest securing any obligation of any Person; (b) pre-emption right, option, right to acquire, right to set off or other third party right or claim of any kind, including any restriction on use, voting, transfer, receipt of income or exercise; or (c) any hypothecation, title retention, restriction, power of sale or other preferential arrangement; or (d) any agreement to create any of the above; and the term **“Encumber”** shall be construed accordingly;

“Income Tax Act” means the Income-tax Act, 1961;

“INR” or **“Rupee(s)”** means Indian Rupee, the lawful currency of the Republic of India;

“Parties” means the Transferor Company and the Transferee Company, collectively and **“Party”** shall mean each of them, individually;

“Permits” means all consents, licences, permits, certificates, permissions, authorisations, clarifications, approvals, clearances, confirmations, declarations, waivers, exemptions, registrations, filings, no objections, whether governmental, statutory, regulatory or otherwise as required under Applicable Law;

“Person” means an individual, a partnership, a corporation, a limited liability partnership, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or an Appropriate Authority;

“RoC” means the relevant jurisdictional Registrar of Companies having jurisdiction over the Parties;

“Scheme” means this scheme of amalgamation, as may be modified;

“Tax Laws” means all Applicable Laws dealing with Taxes including but not limited to income-tax, wealth tax, sales tax/ value added tax, service tax, goods and service tax, excise duty, customs duty or any other levy of similar nature;

“Taxation” or **“Tax”** or **“Taxes”** means all forms of taxes and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, whether levied by reference to income, profits, book profits, gains, net wealth, asset values, turnover, added value, goods and services or otherwise and shall further include payments in respect of or on account of tax, whether by way of deduction at source, collection at source, dividend distribution tax, buyback distribution tax, equalization levy, advance tax, minimum alternate tax, goods and services tax or otherwise or attributable directly or primarily to any of the Party or any other Person and all penalties, charges, costs and interest relating thereto;

“Transferee Company” means Real Gem Buildtech Private Limited, a private company incorporated under the provisions of the Companies Act, 1956 under corporate identification number U45202MH2009PTC193816 and registered office at 702 - Natraj, M. V. Road Junction Western Express Highway, Andheri East, Mumbai, Maharashtra - 400069;

“Transferor Company” means Kingmaker Developers Private Limited, a private company incorporated under the provisions of the Companies Act, 1956 under corporate identification number U45203MH2008PTC180638 and registered office at 702, Natraj, Mv Road Junction, Western Express Highway, Andheri (East), Mumbai, Maharashtra-400069; and

“Tribunal” means the Mumbai bench of the National Company Law Tribunal having jurisdiction over the Parties.

1.2 Interpretation

In this Scheme, unless the context otherwise requires:

- 1.2.1. words denoting the singular shall include the plural and *vice versa*;
- 1.2.2. headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are for information and convenience only and shall be ignored in construing the same;
- 1.2.3. the words “include” and “including” are to be construed without limitation;
- 1.2.4. all terms and words not defined in this Scheme shall unless repugnant or contrary to the context or meaning thereof, have the same meaning as prescribed to them under the Act, Income Tax Act, or any other applicable laws, rules, regulations, bye laws, as the case may be including any statutory modification or re-enactment thereof from time to time; and
- 1.2.5. reference to any law or legislation or regulation shall include amendment(s),

circulars, notifications, clarifications or supplement(s) to, or replacement, re-enactment, restatement or amendment of, that law or legislation or regulation and shall include the rules and regulations thereunder.

2. SHARE CAPITAL

2.1 The share capital structure of the Transferor Company as on the date of approval of this Scheme by the Board of the Transferor Company is as follows:

Particulars	Amount (In INR)
Authorized Share Capital	
10,000 equity shares of INR 10 each	1,00,000
Total	1,00,000
Issued, subscribed and paid-up share capital	
10,000 equity shares of INR 10 each	1,00,000
Total	1,00,000

2.2 The share capital structure of the Transferee Company as on the date of approval of this Scheme by the Board of the Transferee Company is as follows:

Particulars	Amount (In INR)
Authorized Share Capital	
500,000 equity shares of INR 10 each	50,00,000
135,00,000 0.1% Redeemable Cumulative Preference Shares (RCPS) of INR 10 each	13,50,00,000
Total	14,00,00,000
Issued, subscribed and paid-up share capital	
10,000 equity shares of INR 10 each	1,00,000
135,00,000 0.1% Redeemable Cumulative Preference Shares (RCPS) of INR 10 each	13,50,00,000
Total	13,51,00,000

3. DATE OF TAKING EFFECT AND IMPLEMENTATION OF THIS SCHEME

This Scheme in its present form or with any modification(s) made as per Clause 19 of this Scheme, shall be effective from the Effective Date but shall become operative from the Appointed Date.

PART – II

AMALGAMATION OF THE TRANSFEROR COMPANY WITH THE TRANSFEEE COMPANY

4. AMALGAMATION AND VESTING OF ASSETS AND LIABILITIES AND ENTIRE BUSINESS OF THE TRANSFEROR COMPANY

- 4.1. Upon coming into effect of this Scheme and with effect from the Appointed Date and in accordance with the provisions of this Scheme and pursuant to Sections 230 to 232 and other applicable provisions of the Act and Section 2(1B) of the Income Tax Act, the Transferor Company shall stand transferred to and vested in the Transferee Company as a going concern and accordingly, all assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferor Company shall, without any further act, instrument or deed, stand transferred to and vested in or be deemed to have been transferred to and vested in the Transferee Company, so as to become as and from the Appointed Date, the assets, Permits, contracts, liabilities, loan, debentures, duties and obligations of the Transferee Company, subject to existing Encumbrance thereon, by virtue of operation of law, and in the manner provided in this Scheme.
- 4.2. Upon coming into effect of this Scheme and with effect from the Appointed Date, without prejudice to the generality of the provisions of Clause 4.1 above, the manner of transfer and vesting of assets and liabilities of the Transferor Company under this Scheme, is as follows:
- 4.2.1. In respect of such of the assets and properties of the Transferor Company which are movable in nature (including but not limited to all intangible assets, brands, trademarks of the Transferor Company, whether registered or unregistered trademarks along with all rights of commercial nature including attached goodwill, title, interest, labels and brand registrations, copyrights trademarks and all such other industrial and intellectual property rights of whatsoever nature) or are otherwise capable of transfer by delivery or possession or by endorsement, shall stand transferred upon the Scheme coming into effect and shall, *ipso facto* and without any other order to this effect, become the assets and properties of the Transferee Company without requiring any deed or instrument of conveyance for transfer of the same. The vesting pursuant to this sub-clause shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being vested, and title to the property shall be deemed to have been transferred accordingly;
- 4.2.2. Subject to Clause 4.2.3 below, with respect to the assets of the Transferor Company, other than those referred to in Clause 4.2.1 above, including all rights, title and interests in the agreements (including agreements for lease or license of the properties), investments in shares, mutual funds, bonds and any other securities, sundry debtors, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, bank balances and deposits, if any, with Government, semi-Government, local and other authorities and bodies, customers and other persons, whether or not the same is held in the name of the Transferor Company shall, without any further act, instrument or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in the Transferee Company, with effect from the Appointed Date, by operation of law as transmission or as the case may be in favour of Transferee Company;
- 4.2.3. In respect of such of the assets and properties of the Transferor Company which are immovable in nature, including rights, interest and easements in relation thereto, the same shall stand transferred to the Transferee Company with effect from the Appointed Date, without any act or deed or conveyance being required to be done or executed by the Transferor Company and/or the Transferee Company;
- 4.2.4. All debts, liabilities, duties and obligations of the Transferor Company shall, without any further act, instrument or deed be transferred to, and vested in, and/ or deemed to have been transferred to, and vested in, the Transferee Company, so as to become on and from the Appointed Date, the debts, liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were

applicable to the Transferor Company, and it shall not be necessary to obtain the consent of any Person who is a party to contract or arrangement by virtue of which such liabilities have arisen in order to give effect to the provisions of this Clause 4;

- 4.2.5. On and from the Effective Date and till such time that the name of the bank accounts of the Transferor Company have been replaced with that of the Transferee Company, the Transferee Company shall be entitled to maintain and operate the bank accounts of the Transferor Company in the name of the Transferor Company, and for such time as may be determined to be necessary by the Transferee Company. All cheques and other negotiable instruments, payment orders received or presented for encashment which are in the name of the Transferor Company after the Effective Date shall be accepted by the bankers of the Transferee Company and credited to the account of the Transferee Company, if presented by the Transferee Company;
- 4.2.6. Unless otherwise agreed between the Parties, the vesting of all the assets of the Transferor Company, as aforesaid, shall be along with the Encumbrances, if any, over or in respect of any of the assets or any part thereof, provided however that such Encumbrances shall be confined only to the relevant assets of the Transferor Company or part thereof on or over which they are subsisting prior to the amalgamation of the Transferor Company with the Transferee Company, and no such Encumbrances shall extend over or apply to any other asset(s) of the Transferee Company.
- 4.2.7. Unless otherwise stated in this Scheme, all Permits, including the benefits attached thereto of the Transferor Company, shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed and shall be appropriately mutated or endorsed by the Appropriate Authorities concerned therewith in favour of the Transferee Company as if the same were originally given by, issued to or executed in favour of the Transferee Company and the Transferee Company shall be bound by the terms, obligations and duties thereunder, and the rights and benefits under the same shall be available to the Transferee Company to carry on the operations of the Transferor Company without any hindrance, whatsoever;
- 4.2.8. Without prejudice to the provisions as stated above, all trade and service names and marks, patents, copyrights, designs, goodwill which includes the positive reputation that the Transferor Company were enjoying to retain its clients, statutory licenses, infrastructural advantages, overall increase in market share, customer base, skilled employees, business claims, business information, business contracts, trade style and name, marketing and distribution channels, marketing or other commercial rights, customer relationship, trade secrets, information on consumption pattern or habits of the consumers in the territory, technical know-how, client records, KYC (know your customer) records/ POAs (power of attorney), authorisations, client details and other intellectual property rights of any nature whatsoever, books, records, files, papers, engineering and process information, software licenses (whether proprietary or otherwise), drawings, computer programs, manuals, data, catalogues, quotations, sales and advertising material, lists of present and former customers and suppliers, other customer information, customer credit information, customer pricing information and all other records and documents, whether in physical or electronic form relating to business activities and operations of the Transferor Company shall be transferred to the Transferee Company from the Appointed Date, without any further act, instrument or deed;
- 4.2.9. All contracts where the Transferor Company is a party, shall stand transferred to and vested in the Transferee Company pursuant to this Scheme becoming effective. The absence of any formal amendment which may be required by a third party to effect such transfer and vesting shall not affect the operation of the foregoing sentence. The Transferee Company shall, wherever necessary, enter into and/ or execute deeds, writings, confirmations or novations to all such contracts, if necessary, in order to give formal effect to the provisions of this

Clause.

4.2.10. Provided that, upon this Scheme coming into effect, all inter-company transactions including loans, contracts executed or entered into by or *inter se* between the Transferor Company and the Transferee Company, if any, shall stand cancelled with effect from the Effective Date and neither the Transferor Company and/or Transferee Company shall have any obligation or liability against the other party in relation thereto.

4.3. Without prejudice to the provisions of the foregoing sub-clauses of Clause 4.1, the Parties may execute any and all instruments or documents and do all acts, deeds and things as may be required, including filing of necessary particulars and/ or modification(s) of charge, necessary applications, notices, intimations or letters with any Appropriate Authority or Person to give effect to the Scheme. Any procedural requirements required to be fulfilled solely by the Transferor Company, shall be fulfilled by the Transferee Company as if it were the duly constituted attorney of the Transferor Company. The Transferee Company shall take such actions as may be necessary and permissible to get the assets, Permits and contracts of the Transferor Company transferred and/ or registered in its name.

5. EMPLOYEES

5.1 With effect from the Effective Date, all the employees of the Transferor Company shall become employees of the Transferee Company, without any interruption in service, on terms and conditions no less favourable than those on which they are engaged by the Transferor Company. The Transferee Company undertakes to continue to abide by any agreement/ settlement or arrangement, if any, entered into or deemed to have been entered into by the Transferor Company with any Persons in relation to the employees of the Transferor Company. The Transferee Company agrees that the services of all such employees with the Transferor Company prior to the transfer shall be taken into account for the purposes of all existing benefits to which the said employees may be eligible, including for the purpose of payment of any retrenchment compensation, gratuity and other retiral/ terminal benefits.

5.2 The accumulated balances, if any, standing to the credit of the aforesaid employees in the existing provident fund, gratuity fund and superannuation fund of which they are members, will be transferred respectively to such provident fund, gratuity fund and superannuation funds nominated by the Transferee Company and/ or such new provident fund, gratuity fund and superannuation fund to be established in accordance with Applicable Law and caused to be recognized by the Appropriate Authorities, by the Transferee Company.

6. LEGAL PROCEEDINGS

6.1 With effect from the Effective Date, if any suit, cause of action, appeal or other legal, quasi-judicial, arbitral or other administrative proceedings of whatsoever nature by or against the Transferor Company pending on the Effective Date, the same shall not abate, be discontinued or be in any way prejudicially affected by anything contained in this Scheme, but such proceedings of the Transferor Company may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company as if this Scheme had not been made. On and from the Effective Date, the Transferee Company may initiate any legal proceeding for and on behalf of the Transferor Company.

6.2 From the date of approval of this Scheme by the Board of the Transferor Company and until the Effective Date, the Transferor Company shall defend all legal proceedings, other than in the ordinary course of business, with the advice and instructions of the Transferee Company.

7. TAXES/ DUTIES/ CESS

Upon effectiveness of the Scheme and with effect from the Appointed Date, by operation

of law pursuant to the order of the Appropriate Authority:

- 7.1 All the profits or income taxes (including but not limited to advance tax, tax deducted at source, tax collected at source, foreign tax credits, dividend distribution tax, minimum alternate tax credit, any credit for dividend distribution tax on dividend received by the Transferor Company), all input credit balances (including but not limited to CENVAT/MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws) or any costs, charges, expenditure accruing to the Transferor Company in India and abroad or expenditure or losses arising or incurred or suffered by the Transferor Company shall for all purpose be treated and be deemed to be and accrue as the profits, taxes (namely advance tax, tax deducted at source, tax collected at source, dividend distribution tax & foreign tax credits), tax losses, minimum alternate tax credit, dividend distribution tax credit, input credit balances (namely CENVAT/MODVAT, sales tax, applicable excise and customs duties, SGST, IGST and CGST credits under the goods and service tax laws, income costs, charges, expenditure or losses of the Transferee Company, as the case may be.
- 7.2 If the Transferor Company is entitled to any benefits under incentive schemes and policies under Tax Laws, such as tax deferrals, exemptions, benefits and subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and all such benefits under all such incentive schemes and policies as mentioned above shall be available and stand vested in the Transferee Company and shall remain valid, effective and enforceable on the same terms and conditions.
- 7.3 With effect from the Effective Date, the Transferee Company shall have the right to revise its financial statements and returns along with prescribed forms, filings and annexures under the Tax Laws and to claim refunds and/ or credit for Taxes paid and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. The Transferee Company is expressly permitted to revise and file its income tax returns and other statutory returns, even beyond the due date, if required, including tax deducted/collected at source returns, service tax returns, excise tax returns, sales tax/ value added tax/ goods and service tax returns, as may be applicable and has expressly reserved the right to make such provision in its returns and to claim refunds, advance tax credits, credit of tax deducted at source, credit of foreign Taxes paid/ withheld, etc., if any, as may be required for the purposes of implementation of the Scheme.
- 7.4 It is hereby clarified that in case of any refunds, benefits, incentives, grants, subsidies, etc., the Transferor Company, shall, if so required by the Transferee Company, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the Appropriate Authority having sanctioned this Scheme under Sections 230 to 232 of the Act, the relevant refund, benefit, incentive, grant, subsidies, be paid or made good or held on account of the Transferee Company, as the Person entitled thereto, to the end and intent that the right of the Transferor Company, to recover or realise the same, stands transferred to the Transferee Company.
- 7.5 Without prejudice to the provisions of this Scheme, the Scheme has been drawn up to comply with the conditions as specified under Section 2(1B) of the Income Tax Act and other relevant provisions of the Income Tax Act involving as aforesaid. If any of the terms or provisions of the Scheme are found or interpreted to be inconsistent with the provisions of the said Section at a later date including resulting from a retrospective amendment of law or for any other reason whatsoever, till the time the Scheme becomes effective, the provisions of the said section of the Income Tax Act shall prevail and the Scheme shall stand modified to the extent determined necessary to comply with Section 2(1B) of the Income Tax Act and other relevant provisions of the Income Tax Act.

8. CONSIDERATION

- 8.1 Upon the Scheme coming into effect and in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further application, act, deed, consent, acts, instrument or deed, issue and allot, on a proportionate basis to each shareholder of the Transferor Company, whose name is recorded in the register of members as member of the Transferor Company as

on the Effective Date, as under:

“1 (One) equity share of INR 10/- (Ten) each of the Transferee Company, credited as fully paid up, for every 1 (One) equity share of INR 10/- (Ten) each of the Transferor Company.”

The equity shares of the Transferee Company to be issued pursuant to Clause 8.1 shall be referred to as **“Transferee Company New Equity Shares”**.

- 8.2 The Transferee Company New Equity Shares are to be issued and allotted pursuant to amalgamation of the Transferor Company with the Transferee Company under this Scheme shall be subject to the provisions of the memorandum of association and articles of association of the Transferee Company. The issue and allotment of the Transferee Company New Equity Shares are integral part hereof and shall be deemed to have been carried out under the orders passed by the Tribunal without requiring any further act on the part of the Transferee Company or the Transferor Company or their shareholders and as if the procedure laid down under the Act and such other Applicable Law as may be applicable, were duly complied with. It is clarified that the approval of the shareholders of the Transferee Company to this Scheme, shall be deemed to be their consent/ approval for the issue and allotment of the Transferee Company New Equity Shares.
- 8.3 Subject to Applicable Laws, the Transferee Company New Equity Shares that are to be issued in terms of this Scheme shall be issued in physical or dematerialised form, as may be applicable.
- 8.4 In the event, any or all of the Parties restructure their share capital by way of share split/ consolidation/ issue of bonus shares during the pendency of the Scheme, the share exchange ratios stated in Clause 8.1 above shall be adjusted accordingly, to consider the effect of any such corporate actions undertaken by such Party.

9. ACCOUNTING TREATMENT

Upon the Scheme becoming effective, the Transferee Company shall account for the merger of the Transferor Company in its books of accounts in accordance with the accounting standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, or any other relevant or related requirement under the Act, as applicable.

10. RECLASSIFICATION AND COMBINATION OF AUTHORISED SHARE CAPITAL

- 10.1 Upon the coming into effect of this Scheme, the aggregate authorised share capital of the Transferor Company as on the Effective Date will be combined with the authorised share capital of the Transferee Company and accordingly the authorised share capital of the Transferee Company shall be reclassified and increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees to RoC.
- 10.2 Consequent to the Scheme taking effect, the authorised share capital of the Transferee Company as on the Effective Date shall be reclassified and increased by the authorised share capital of the Transferor Company as under:

Particulars	Amount (In Rs.)
Authorised share capital	
140,10,000 equity shares of INR 10 each	14,01,00,000
Total	14,01,00,000

- 10.3 The memorandum of association and articles of association of the Transferee Company (relating to the authorized share capital) shall, without any further act, instrument or deed, be and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme shall be deemed to be sufficient for the purposes of effecting this amendment, and no further resolution(s) under the applicable provisions of the Act would be required to be separately passed, as the case may be, for amendment of the Memorandum and Articles of Association of the Transferee Company and for this purpose the stamp duty and fees paid on the authorized capital of the Transferor Company shall be utilized and applied to the increased authorized share capital

of the Transferee Company.

- 10.4 Consequentially, Clause V of the memorandum of association of the Transferee Company shall without any act, instrument or deed be and stand altered, modified and amended, to reflect the increased combined authorised share capital as per this Clause 10, pursuant to Sections 13, 14, 61, 64, and other applicable provisions of the Act.
- 10.5 It is clarified that the approval of the Tribunal to the Scheme shall be deemed to be consent/ approval of the members of the Transferee Company also to the alteration of the memorandum and articles of association of the Transferee Company as may be required under the Act.

11. DISSOLUTION OF THE TRANSFEROR COMPANY

Upon the effectiveness of this Scheme, the Transferor Company shall stand dissolved without winding up and the Board and any committees thereof of the Transferor Company shall without any further act, instrument or deed be and stand discharged. On and from the Effective Date, the name of the Transferor Company shall be struck off from the records of the concerned RoC.

12. REDUCTION AND CANCELLATION OF EQUITY AND PREFERENCE SHARES OF THE TRANSFEE COMPANY

- 12.1 Upon the Scheme being effective, all the equity and preference shares held by the Transferor Company in the Transferee Company as on the Effective Date shall stand cancelled, extinguished and annulled, without any further act or deed as an integral part of this Scheme.
- 12.2 The reduction of the share capital of the Transferee Company shall be in accordance with the provisions of Sections 230 to 232 of the Act as specified in Clause 12.1 above, shall be effected as an integral part of this Scheme itself and does not involve any diminution of liability of in respect of any unpaid share capital or payment to any shareholder of any paid-up share capital or payment in any other form.
- 12.3 Notwithstanding the reduction in the equity share capital and preference share capital of the Transferee Company, the Transferee Company shall not be required to add 'And Reduced' as suffix to its name.

PART – III

GENERAL TERMS & CONDITIONS

13. VALIDITY OF EXISTING RESOLUTIONS, ETC.

Upon this Scheme coming into effect, the resolutions/ power of attorneys executed by the Transferor Company, as are considered necessary by the Board of the Transferee Company, and that are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions and power of attorney passed/ executed by the Transferee Company. Further, if any such resolutions have any monetary limits approved under the provisions of the Act, or any other applicable statutory provisions, then such limits shall automatically be added to the limits, if any, under like resolutions passed by the Transferee Company and shall constitute the new aggregate limits for each of the subject matters covered under such resolutions/ power of attorneys for the purpose of the Transferee Company without any further act or deed.

14. SAVING OF CONCLUDED TRANSACTIONS

Nothing in this Scheme shall affect any transaction or proceedings already concluded or liabilities incurred by the Transferor Company until the Effective Date to the end and intent that the Transferee Company shall accept and adopt all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of the Transferee Company.

15. BUSINESS UNTIL EFFECTIVE DATE

15.1 The Transferor Company with effect from the date of approval of the Scheme by Board of the Parties and until the Effective Date shall carry on their business and activities with due diligence and business prudence and shall not, without the prior written consent of the Transferee Company, charge, mortgage, Encumber or otherwise deal with or alienate their assets or any part thereof, nor incur, accept or acknowledge any debt, obligation or any liability or incur any major expenditure, except as is necessary in the ordinary course of its business.

15.2 With effect from the Appointed Date and up to the Effective Date:

15.2.1 the Transferor Company shall be deemed to have been carrying on and shall carry on their business and activities and shall be deemed to have held and stood possessed of and shall hold and stand possessed of the assets for and on account of and in trust for the Transferee Company;

15.2.2 all profits or income arising or accruing to the Transferor Company and all taxes paid thereon (including but not limited to advance tax, tax deducted at source, minimum alternate tax, dividend distribution tax, securities transaction tax, taxes withheld/paid in a foreign country, etc.) or losses arising or incurred by the Transferor Company shall, for all purposes, be treated as and deemed to be the profits or income, taxes or losses, as the case may be, of the Transferee Company; and

15.2.3 all loans raised and all liabilities and obligations incurred by the Transferor Company after the Appointed Date and prior to the Effective Date, shall, subject to the terms of this Scheme, be deemed to have been raised, used or incurred for and on behalf of the Transferee Company, as the case may be, and to the extent they are outstanding on the Effective Date, shall also, without any further act or deed be and be deemed to become the debts, liabilities, duties and obligations of the Transferee Company.

15.3 The Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Appropriate Authority and all other agencies, departments and authorities concerned as are necessary under any Law for such consents, approvals and sanctions which the Transferee Company may require, to carry on the business of the Transferor

Company from Effective Date and to give effect to the Scheme.

16. PROPERTY IN TRUST

Notwithstanding anything contained in this Scheme, on and after the Effective Date, until any property, asset, license, Permit, contract, agreement and rights and benefits arising therefrom pertaining to the Transferor Company are transferred, vested, recorded, effected and/ or perfected, in the records of any Appropriate Authority or otherwise, in favour of the Transferee Company, the Transferee Company is deemed to be authorized to enjoy the property, asset or the rights and benefits arising from the license, Permit, contract or agreement as if it were the owner of the property or asset or as if it were the original party to the license, permit, contract or agreement. It is clarified that till entry is made in the records of the Appropriate Authorities, the Transferee Company will continue to hold the property and/or the asset, license, Permit, contract or agreement and rights and benefits arising therefrom in trust for and on behalf of the Transferor Company.

17. FACILITATION PROVISIONS

For the purpose of giving effect to the amalgamation order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Transferee Company shall, at any time pursuant to the orders approving this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the amalgamation of the Transferor Company, in accordance with the provisions of Sections 230 to 232 of the Act. The Transferee Company is and shall always be deemed to have been authorized to execute any pleadings, applications, forms, etc, as may be required to remove any difficulties and facilitate and carry out any formalities or compliances as are necessary for the implementation of this Scheme.

18. APPLICATIONS / PETITIONS TO THE TRIBUNAL

The Parties shall make and file all applications and petitions under Sections 230 to 232 and other applicable provisions of the Act before the Tribunal, for sanction of this Scheme under the provisions of the Act.

19. MODIFICATION OR AMENDMENTS TO THIS SCHEME

19.1 The Board of the Parties may make any modifications or amendments to this Scheme at any time and for any reason whatsoever, or which may otherwise be considered necessary, desirable or appropriate. The Board of the Parties may consent to any conditions or limitations that the Tribunal or any other Appropriate Authority may impose.

19.2 For the purposes of giving effect to this Scheme, the Board of the Parties may give such directions including directions for settling any question or difficulty that may arise and such directions shall be binding on Parties as if the same were specifically incorporated in this Scheme.

20. CONDITIONS PRECEDENT

20.1 Unless otherwise decided (or waived) by the Parties, the Scheme is conditional upon and subject to the following conditions precedent:

20.1.1 the sanctions and orders of the Tribunal, under Sections 230 to 232 of the Act being obtained by the Parties;

20.1.2 the certified/ authenticated copies of the orders of the Tribunal under Sections 230 to 232 of the Act sanctioning the Scheme are filed with the RoC by the Parties as per the Tribunal Order; and

20.1.3 the requisite consent, approval or permission of Appropriate Authority which by Applicable Law or contract, agreement may be necessary for the implementation of this Scheme.

21. WITHDRAWAL OF THIS SCHEME, NON-RECEIPT OF APPROVALS AND SEVERABILITY

21.1 Parties, acting jointly, shall be at liberty to withdraw the Scheme, any time before the

Scheme is effective.

21.2 In the event of withdrawal of the Scheme under Clause 21.1 above, no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their respective shareholders or creditors or employees or any other Person.

21.3 In the event of any of the requisite sanctions and approvals not being obtained on or before such date as may be agreed amongst the Parties, this Scheme shall become null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred *inter se* the Parties or their shareholders or creditors or employees or any other Person in terms of this Scheme. In such an event, each Party shall bear and pay its respective costs, charges and expenses for and/ or in connection with this Scheme.

22. COSTS AND EXPENSES

Except as provided otherwise, all costs, charges and expenses (including, but not limited to, any taxes and duties, stamp duty, registration charges, etc.) in relation to carrying out, implementing and completing the terms and provisions of this Scheme and/ or incidental to the Scheme shall be borne and paid by the Transferee Company.
